IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Reto Schoeb

Patent No.: 7,112,903

Issued: September 26, 2006

Application No.: 09/127,644

Filed: July 31, 1998

For: MAGNETICALLY JOURNALLED ROTATIONAL ARRANGEMENT INCLUDING A ROTOR FOR GENERATING A UNIPOLAR BIAS

MAGNETIC FLUX

Customer No.: 20350

Commissioner for Patents P.O. Box 1450 Alexandria, VA 22313-1450

Sir:

Prior to this letter, status as a small entity for this Patent was established in good faith, and fees as a small entity were paid in good faith. It has since been discovered that such status as a small entity was established in error. The error was made without any intent to deceive the U.S. Patent and Trademark Office.

The following submission of deficiency payment and itemization is believed to meet the requirements of 37 C.F.R. §§ 1.28(c)(1) and (c)(2). Furthermore, Patentees understand that under 37 CFR § 1.28(d) this submission is treated under § 1.27(g)(2) as a notification of loss of entitlement to small entity status. Therefore,

Confirmation No.: 1526

Examiner:

Karl I. Tamai

Docket No.: 015258-033700US

Art Unit:

2834

CORRECTION OF ENTITY STATUS AND PAYMENT OF DEFICIENCY OWED UNDER 37 CFR §§ 1.27(g) and 1.28(c) Patentees respectfully request the deficiency payment be processed and the correct entity status be accorded to the Patent.

ITEMIZATION AND CALCULATION OF THE DEFICIENCY OWED

DATE OF PAYMENT	TYPE OF FEE	SMALL ENTITY FEE ACTUALLY PAID	(CURRENT) LARGE ENTITY FEE FOR ACTION	DEFICIENCY PAYMENT OWED
August 17, 2006	Issue Fee	\$700	\$1510	\$810
March 18, 2010	Maintenance Fee (for 3.5 payment year)	\$490	\$980	\$490

TOTAL DEFICIENCY PAYMENT OWED: \$1300

Patentees hereby authorize the Commissioner to deduct the total deficiency owed of \$1300 from Deposit Account No. 20-1430. Please deduct any additional fees due from, or credit any overpayment to, the above-noted Deposit Account.

Respectfully submitted,

Christopher L. Willink

Reg. No. 62,135

TOWNSEND and TOWNSEND and CREW LLP Two Embarcadero Center, Eighth Floor San Francisco, California 94111-3834

Tel: (415) 576-0200 Fax: (415) 576-0300

C3W:kep